

## TRICARE REGION 1 STANDARDIZATION PROCESS

The best logistics and business practices of the most successful government and commercial organizations increasingly include regionalization, standardization, requirements consolidation, coordinated planning and cooperative (collaborative) action. Together, these practices have resulted in significant cost savings and efficiencies. TRICARE Region 1 is striving to achieve these results through the TRICARE Regional Standardization Program.

Under the standardization initiative, the TriService Product Review Board (TPRB) was originally established to support the National Capital Area Federal Health Council (NCAFHC) in achieving standardization of Medical Surgical (MedSurg) products among the Walter Reed Health Care System (WRHCS), the National Naval Medical Center (NNMC), and Malcolm Grow Air Force Medical Center (MGMC).

Today, the TPRB serves as a forum for seeking and evaluating opportunities for committed volume purchase agreements through the DOD Prime Vendor Program, and coordinating logistics efforts in support of military health care within TRICARE Region 1. Other TRICARE regions convene their own regional board; however, their efforts are closely aligned with Region 1's. Please visit our web site at <http://dscp191.dscp.dla.mil/standardization/index.htm> for more information on the other TRICARE regional standardization programs.

TRICARE Region 1's Standardization Organization structure for achieving consensus and standardizing products is shown in Figure 1 below. Subject to the agreement of the TRICARE Federal Health Council, the TPRB represents all military Medical Treatment Facilities (MTFs) within TRICARE Northeast (see enclosure 1 for listing).

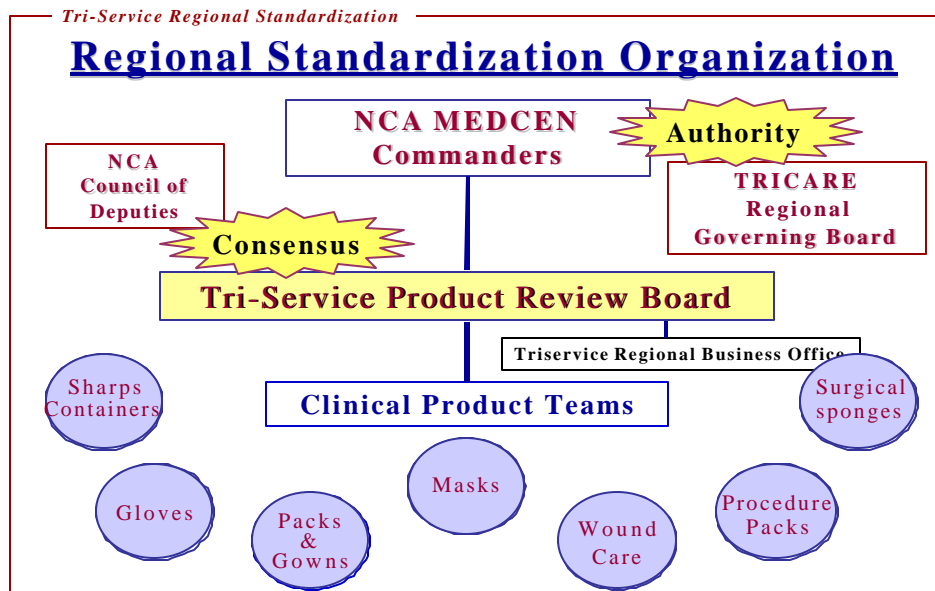


Figure 1

The TPRB works in coordination with the NCA Council of Deputies (NCACOD). The TPRB consists of a core team from each Medical Center, and the Assistant Chief of Staff, Logistics and Acquisition (ACSLA), North Atlantic Regional Medical Command. Each Medical Center team consists of their respective Chief of Logistics and a designated clinical representative.

To determine which products should be standardized, candidates are carefully analyzed. Initially, the Tri-Service Regional Business Office (TRBO) reviews the basic product lines, its usage, and annual dollar expenditures to assess the investment necessary to standardize a product. The TRBO identifies prospective

candidates to the Tri-Service Product Review Board (TPRB). Candidates that fall into a major product line and have the greatest potential for savings are high on the priority list. Nominations from MTFs are welcomed, and can be sent via email to the TRBO, located at WRAMC. The address is provided at the end of this overview.

For each product line that is under review, the TPRB assigns a Clinical Product Team (CPT). Each Service provides one person – always a clinician, but usually not a member of the TPRB itself. One Service is selected as the lead, which means that they are responsible for coordinating the actions of the CPT.

The CPT meets as frequently as necessary to review a product line, collect vendor data, develop clinical criteria, evaluate products (clinically), analyze usage and price, and select the best product. The Tri-Service Regional Business Office (TRBO), (consisting of a nurse, logistician, and data analyst) provides administrative and support functions necessary to sustain this program. The TRBO supports the CPT members, reducing their administrative workload, by contacting vendors, determining whether the vendors have a National Distribution and Pricing Agreement (DAPA) in the Universal Data Repository (UDR), facilitating CPT meetings, and conducting data analysis. The CPT team leader or clinical representative attends the monthly TPRB meeting to report on their progress and to present recommendations to board members, who will either endorse the recommendation or forward its own recommendation with that of the CPT to the Council of Deputies and Federal Health Council.

Specific Responsibilities of the TPRB are:

- Reviewing stockage and usage data to identify opportunities for standardization & volume purchase agreements.
- Establishing and coordinating Clinical Product Teams (CPTs) for the purpose of conducting product evaluations & trials.
- Developing and coordinating common logistical concepts aimed at improving services, efficiencies, and reducing costs.
- Providing a single military forum for receiving and evaluating vendor proposals for product introduction and standardization within the NCA.
- Provide a single military forum for coordination and resolution of issues regarding the DOD MedSurg Prime Vendor Program within the NCA.
- Making recommendations through the NCACOD for product standardization and purchase agreements.
- Developing courses of action and make recommendations based upon sound clinical and business considerations. Recommendations are forwarded through the NCACOD to the NCAFHC for approval.
- Ensuring fair consideration is given to National Institute for the Blind (NIB) and National Institute for the Severely Handicapped (NISH) manufacturers when considering vendors.

When the TPRB is considering whether to recommend a product a vote is taken at the TPRB meeting. Each Medical Center has one vote, which will be cast by the Logistics Chief (or designee). Clinical Product Teams (CPTs) established by the TPRB will consist of one voting “clinical champion” from each Medical Center (three total), with additional non-voting representatives as required (CPT members may or may not be from the standing membership of the TPRB). Upon receipt of a CPT recommendation, the decision is sent to the FHC for final approval.

Once the FHC has approved the decision, the selected vendor is notified and provides a Regional Incentive Agreement (RIA) to the TRBO, which the Regional Logistics Chief signs. This agreement serves as an interim document for managing the agreed upon price savings and any additional services which the vendor is willing to provide until a Regional Distribution and Pricing Agreement (DAPA) is in place (normally 30-60 days after the agreement is signed). The intent is to use regional DAPAs as the means to manage pricing agreements. These agreements are binding for all Region 1 MTFs. Vendors who do not

have National DAPAs, or who wish to establish a regional DAPA, are asked to contact DSCP, or to visit <http://dscp103.dscp.dla.mil/dmmonline>.

After activating an agreement, the TRBO monitors the MTFs and vendors for compliance with the agreement. Pricing is disseminated via the standardization web site in the form of a "Price Book" to MTF Logistics personnel. The "Price Book" is procurement sensitive, "For Official Use Only", and not to be shown to vendors, in accordance with Federal Acquisition Regulations.

There are several ways Region 1 MTFs can participate in the standardization decisions that are being made for their region.

- The first is to follow the monthly minutes to access information used in the decision making process, and what products are being considered. Minutes can be downloaded by visiting the web site at <http://dscp191.dscp.dla.mil/standardization/index.htm>
- Contact the CPT Point of Contact and request participation. You can find a listing of the POCs on the Standardization Web Site. Let the CPT leader know that you want to participate in the trials.
- Contact the Tri-Service Regional Business Office (TRBO) at the email address listed below, requesting that you be considered in the product review.

Questions or comments regarding Region 1's Standardization Program may be addressed as follows:

Allan Arnette (Logistics) or Paula Valentino (Clinical)  
Tri-Service Regional Business Office  
Walter Reed Army Medical Center  
Washington, DC  
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**or to**

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Regional Logistics Chief for Region 1  
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